

## GENERAL TERMS & CONDITIONS

Effective date: February 15, 2021

### PREAMBLE

- (1) Laterpay supplies payment services to creators, providers, and platform partners and their provider partners, that offer Materials via the internet to Users and collect payments or contributions from Users. All platform providers have acknowledged that their underlying provider partners also register directly with Laterpay.
- (2) Laterpay has developed a Laterpay Service comprising a Laterpay Application, and interface software provided to its Clients under these General Terms and Conditions (also referred to herein as this "Agreement"). The Laterpay Application can be accessed and used by Clients for transactions made via the internet using the interface software. The Laterpay Application provides a ledger to track and aggregate contributions, purchases and commitments of Users (the "Tab Functionalities") through the "pay later" or "pay now" functions. The Tab Functionalities are supplemented by additional management features (the "Payment Management Services"), which may include some or all of the following:
  - (i) Money management, including payment processing, payouts, and taxes;
  - (ii) Customer management, including authentication and account management;
  - (iii) Access checking (if desired by Customer), including subscriptions, time passes and single purchases; and
  - (iv) Analytics of customer behavior;as well as additional management features implemented and offered from time to time by Laterpay.
- (3) The Client is a creator or provider (directly or through a platform partner) of Materials or a platform partner for such providers and makes Materials available to Users on its website(s) and social media platforms, using the Laterpay Service. The Client will collect contributions or charge a fee for access to Materials. The User only pays for "Pay Later" items once they have reached a certain cumulative dollar amount in contributions or purchases (the "Threshold Amount"). For "Pay Now", the User will have to register and pay upfront to make a contribution or access materials. If applicable, the Threshold Amount will initially be five US dollars (US\$5.00) (or equivalent foreign currency including foreign transaction fees) for each Device and User registered with Laterpay within the United States. Laterpay may reasonably define a different Threshold Amount for any Device and User, registered with Laterpay.
- (4) The Laterpay Service enables: a) identification of the Device used to make a contribution or purchase; b) for "Pay Later", the potential delay in registration and payment to a time when the Threshold Amount has been reached; and c) for "Pay Now", the upfront registration and payment.
- (5) Capitalized terms used herein shall have the meaning ascribed to them in Section 11 of this Agreement.

### 1. OBJECT OF THE AGREEMENT, PROVISION OF SERVICE

- (1) The Laterpay Services are provided in accordance with the Documentation and this Agreement. All Clients will comply with Laterpay's Code of Conduct that can be found [here](#).
- (2) The following shall only apply if the Client receives the Payment Management Services:
  - (i) Unless otherwise agreed, the Client will indicate that functionality of the payment transaction processing is powered by Laterpay.
  - (ii) The Laterpay Service supports the collection of payments for the purchase of, contribution to, or access to Materials offered by the Client. A third-party Payment Service Provider provides the payment services in connection with the Laterpay Service. The current Payment Service Provider chosen by Laterpay is Stripe.com, but Laterpay reserves the right in its sole and exclusive discretion to change the Payment Service Provider for any payment transaction initiated by Client. The Client may be required to adhere to certain terms and conditions of the Payment Service Provider.

(iii) Laterpay is solely responsible for the functionality of the payment transaction processing.

- (3) The connection of the data processing systems used by the Client to the internet is not part of the Laterpay Service. The Client shall arrange for such a connection at its own expense and liability.
- (4) Laterpay may change the Laterpay Service, including the technology or operation to provide the Laterpay Service. Laterpay will inform the Client about planned changes and upgrades, to the extent they are materially relevant to the Client, by electronic mail at least thirty (30) days in advance.
- (5) The Client is the sole contractual partner of the User with regard to the offered Materials and is responsible for its terms and conditions for the sale, access or use of the Materials. Laterpay shall enter into a relationship with the User concerning the use of the Laterpay Service but shall have no responsibility to Users related to the Materials. The Client shall defend, indemnify and hold Laterpay harmless against any allegation, action, suit or proceeding ("Claim") based on the offering, accessing, contribution to or purchasing of Materials.
- (6) Client will not knowingly supply any Materials in connection with the Laterpay Service to individuals on the Denied Persons List or located in Embargoed Countries and will employ software and services that prevent such supply of Materials. The Client shall defend, indemnify and hold Laterpay harmless against any Claim based upon an allegation concerning the supply of Materials to any individual on the Denied Persons List and/or located in Embargoed Countries contributing to or purchasing Materials.

## 2. COLLECTION OF PAYMENTS

- (1) The Fees payable by Client are set forth in Appendix A hereto. Laterpay reserves the right to revise Appendix A at any time with sixty (60) days' notice to Client.
- (2) The following shall only apply If Client uses the Payment Management Services:
  - (i) Laterpay will arrange for the Payment Service Provider to forward corresponding payments to the Client.
  - (ii) If payments are made in currencies other than the currency in which Client makes payments available on its website (the "Currency"), Laterpay will use the currency conversion rate determined by an associated financial institution of Laterpay. All conversion rates will appear in the Laterpay statement for Client's informational purposes only. The Client will have no obligation to pay any foreign transaction fees.
  - (iii) When available, Laterpay may, at its discretion, offer Clients the option to accept more than one currency.
  - (iv) The Client is aware that the Payment Service Provider may not receive full payment from a User and understands the associated risk of non-payment from the User, Payment Service Provider or Laterpay.
  - (v) The Payment Service Provider may charge Laterpay a chargeback fee in the event a User disputes a payment. Laterpay may charge Client for any such chargeback fees.

## 3. RIGHT OF USE

- (1) During the term of this Agreement, Laterpay grants to the Client a non-exclusive, non-assignable and non-transferable right to access the internet-accessible Laterpay Application and to use the Laterpay Service under this Agreement. The Client has and receives no other rights in and to the Laterpay Service or the Laterpay Software.
- (2) The Client has no right to reverse engineer, revise, decompile, or reproduce the Laterpay Services.
- (3) The Client may not sell, permit the temporary use of the Laterpay Service to third parties. If the Client breaches this obligation, the Client, at its own expense, will promptly supply Laterpay with all information necessary and assist Laterpay, at Client's expense, with any claim, action, suit or proceeding against such unauthorized third party.
- (4) During the term of this Agreement and for two (2) years thereafter, the Client will not develop or offer any service in the United States that provides a payment process similar to the "pay later" function offered by Laterpay.
- (5) To the extent that Client uses the Laterpay Service in an unauthorized manner or enables a third party to do so, the Client agrees to pay Laterpay liquidated damages of at least the amount that would have been payable during a twelve (12) month period, assuming a number of transactions equal to Client's historical average or other clients' average number of transactions, and any attorney's fees incurred by Laterpay in its efforts to procure such payment.



#### 4. CLIENT OBLIGATIONS

- (1) The Client, at its own expense, will provide the necessary technical platform as described in the Laterpay Documentation, including access to the Laterpay Application through the Laterpay-provided interface software from its own computer system. Clients who are platform partners will integrate the Laterpay Services and make them available to their provider partners, who will register with Laterpay. The Client is responsible for resolving any errors that occur in its computer systems. The current version of the Documentation is available at [docs.laterpay.net](https://docs.laterpay.net).
- (2) The Client will, using the Laterpay-provided interface software or other means that may be specified by Laterpay to Client, convey to Laterpay its intent to use the Laterpay Service and all designated administrators for Client for communication with regard to the Laterpay Service.
- (3) The Client will inform Laterpay without undue delay about any defects or damages that could affect the safety or operation of the Laterpay Service. The Client agrees to cooperate with Laterpay and take all reasonable measures to enable Laterpay to diagnose such defect or damage. In the event of an incorrect error report or notice of defect, the Client will pay Laterpay an inspection fee specified by Laterpay.
- (4) The Client will promptly provide Laterpay with all information necessary for the performance of this Agreement. The Client will promptly inform Laterpay about any changes of any provided information.
- (5) The Client represents and warrants that the Materials do not violate any applicable federal or state laws.
- (6) If Client receives Payment Management Services, the Client will review all payments from the Payment Service Provider promptly and will raise any objections promptly, but no later than four (4) weeks after the respective day of payment of an invoiced amount. Any objections to settlements not raised within such four-week period are waived by Client.
- (7) If Client solicits contributions or donations, Laterpay may revoke, or change the username/link provided by Client in the event of any violation of Laterpay's Code of Conduct, including but not limited to, vulgarity, copyright/trademark infringement or any misrepresentation by Client.
- (8) The Client will promptly respond to any requests or complaints of Users in connection with the Laterpay Services. Upon request by a User, if Client receives Payment Management Services, Client will inform the User that its invoicing is carried out by the Laterpay Service using the specific Payment Service Provider for such invoice.
- (9) Client hereby grants Laterpay a non-exclusive right to use during the term of this Agreement, trademarks owned and/or controlled by Client.

#### 5. INTELLECTUAL PROPERTY RIGHTS

Laterpay or its licensors exclusively own the Laterpay Intellectual Property in the Laterpay Service and Documentation. Client is only granted a right to use such Laterpay Intellectual Property as explicitly provided by this Agreement or other agreements with Laterpay. Laterpay reserves all rights in and to the Laterpay Intellectual Property.

#### 6. LIABILITY

- (1) Laterpay's sole liability to the Client will be in cases of willful misconduct and gross negligence in connection with its obligations hereunder. Laterpay will have no other liability to the Client including, but not limited to, satisfaction of any invoiced amount by Client. Laterpay is not liable for any damages that the Client may incur due to interruptions of internet access, force majeure or other events for which Laterpay is not responsible. Laterpay will not be liable if the Laterpay Service is temporarily unavailable for technical reasons or human error.
- (2) Laterpay uses a third-party vendor for the determination of sales, use or other tax owed on payments for Materials to respective state tax authorities. Laterpay hereby disclaims any liability that may arise for Client from a state tax authority or otherwise, based on the determination, collection and payment of any applicable sales or other taxes. Client will defend, at its expense, a third-party action, suit or proceeding against Laterpay ("Tax Claim") to the extent such Tax Claim is based upon an allegation that tax collection arranged by Laterpay on behalf of Client is erroneous or deficient in any manner.
- (3) Laterpay makes no warranties express or implied for the Laterpay Service, Laterpay Application, the Laterpay-provided interface software, or Documentation. Specifically, all implied warranties are disclaimed, including any warranties of merchantability, fitness



for a particular purpose, use, or non-infringement. No one is authorized to make any warranty on Laterpay's behalf, and Client may not rely on any statement of warranty.

- (4) NEITHER THE CLIENT NOR LATERPAY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, OR DAMAGES RELATED TO THE LOSS OF DATA, PROFIT OR REVENUE OR THE INTERRUPTION OF ACTIVITIES OR ANY OTHER FINANCIAL LOSS.
- (5) In no event will Laterpay's liability to Client for any claim arising under this Agreement exceed the fees actually received for transactions conducted for Client via Laterpay over the prior twelve (12) months from the date of notice of any claim or claims by Client to Laterpay.

## **7. INFRINGEMENT INDEMNIFICATION**

Client will defend, at its expense, a third-party allegation, action, suit or proceeding against Laterpay, its owners, executives and employees ("Infringement Claim") to the extent such Infringement Claim is based upon an allegation that the Materials offered or sold to a User, as of its delivery date under this Agreement, infringes any patent, trademark or copyright or any other intellectual property right of a third party.

## **8. TERM; TERMINATION**

- (1) This Agreement will remain in force until terminated by either party at any time by written notice to the other party, which may include electronic mail.
- (2) Upon termination, Laterpay will terminate Client's access to the Laterpay Service and to Client's data stored by Laterpay. Client's obligation to pay previously-agreed fees and Laterpay's obligation to forward payments from Users for pre-termination transactions in accordance with this Agreement will survive termination. Laterpay, in its sole discretion, may refund unprocessed payments to the User.

## **9. CONFIDENTIALITY, DATA PROTECTION**

- (1) The parties mutually commit to maintain complete confidentiality regarding all business processes and other confidential information of the other party (including User access data) that become known to such party in the performance of this Agreement. The parties will obtain corresponding confidentiality commitments from their employees and representatives, and each party will be responsible for any breach of this Section 9(1) caused by its employees and representatives.
- (2) Laterpay will obtain consent from Users at its own discretion for User information that may be disclosed to Client in accordance with Laterpay's privacy policy. Client will comply with all applicable data protection laws and regulations in relation to User information and will be liable for any and all damages in the event that it breaches its obligations under this Agreement with regard to Users' PII.
- (3) Laterpay may supply all or a portion of the Laterpay Service from within the United States or elsewhere as applicable law permits using its own or third party computer systems.
- (4) The contents and terms of this Agreement are confidential to the parties. Neither party may publish or disclose to any third party any terms or conditions of this Agreement without prior written consent of the other party.

## **10. MISCELLANEOUS PROVISIONS**

- (1) Any amendments to the terms and conditions of this Agreement by Laterpay will become effective no sooner than fourteen (14) days after posting.
- (2) Any communication between the parties in connection with the performance of this contract will be sent to the designated contact person of the other party.
- (3) This Agreement will be construed, and the rights and obligations of the parties determined, exclusively in accordance with the substantive law of the state of New York, excluding its choice-of-law provisions. The exclusive place of jurisdiction for all disputes arising out of or in connection with this contract will be in the courts of New York, New York.



- (4) Amendments or addendums to this Agreement, including the appendices, will be in writing, excluding means of telecommunication. This also applies to a waiver of this requirement.
- (5) In the event that any sections of this Agreement, including the appendices, are determined to be unenforceable, such determination will not affect the remaining sections of the Agreement. The parties hereby agree that to the extent possible, if any section of this Agreement is determined to be unenforceable, such section will be canceled and replaced with terms and conditions that are enforceable and which come as close as possible to the economic intent of the parties.
- (6) Any failure by any party to this Agreement to enforce at any time any term or condition under this Agreement will not be considered a waiver of that party's right thereafter to enforce each and every term and condition of this Agreement.
- (7) This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior agreements, oral and written, made with respect to the subject matter hereof.

## 11. DEFINITIONS

In this Agreement, the following terms shall have the following meanings.

“**Agreement**” means these General Terms and Conditions of Laterpay for Clients.

“**Claim**” has the meaning ascribed to such term as in Section 1(5) of this Agreement.

“**Client**” means the provider or platform partner (including their provider partners) offering the Laterpay Services for sale or access to Users.

“**Denied Persons List**” means the U.S. Department of Commerce, Bureau of Industry and Security's Denied Persons List.

“**Device**” shall mean the data processing unit used by a User to order and receive Materials from the Client using the Laterpay Service for payment. The Device may be, for example, a mobile phone, tablet or other mobile internet connected device, laptop or computer.

“**Digital Content**” means particular information stored as, for example, files, illustrations, videos and sheet music that can either be downloaded over the internet to data storage of the User or can be accessed and viewed directly through a web browser by the User.

“**Documentation**” means the written instructions and specifications regarding the Laterpay Service provided by or available from Laterpay.

“**Embargoed Countries**” means the U.S. Department of Commerce, Bureau of Industry and Security's specified Embargoed Countries.

“**Infringement Claim**” has the meaning ascribed to it in Section 7 of this Agreement.

“**Laterpay**” means Laterpay Inc. and its directors, officers, employees, shareholders and affiliates, as well as everybody providing services for Laterpay.

“**Laterpay Application**” means the software application developed by Laterpay for the purpose of this Agreement.

“**Laterpay Intellectual Property**” all intellectual property rights including, but not limited to, patents, trademarks, copyrights, trade secrets and other intellectual property rights in and to the relevant software providing the Laterpay Service, Laterpay Application, Laterpay-provided interface software and Documentation.

“**Laterpay Service**” means collectively and individually, the Laterpay Application and Laterpay-provided interface software.

“**Material(s)**” means the materials offered by Client including, but not limited to, Digital Content, products and/or services offered by Client for which payment may be received using the Laterpay Service.

“**Party**” or “**Parties**” means Laterpay and the Client, individually or collectively, as the case may be.

“**Payment Management Services**” has the meaning ascribed to it in the Preamble of this Agreement.

“**Payment Service Provider**” means a payment processor, such as a bank or credit card processor contracted by the Client.

“**PII**” means the personal identifying information of User(s), including for example name and address.

“**Tab Functionalities**” has the meaning ascribed to it in the Preamble of this Agreement.

“**Tax Claim**” has the meaning ascribed to it in Section 6(2) of this Agreement.

“**Threshold Amount**” has the meaning ascribed to it in the Preamble of this Agreement.



“**User(s)**” means internet user(s) who purchase or access Materials of Client using the Laterpay Service.

“**User Fee**” means the fee payable by a User to Laterpay and the Client for the purchase or access to Materials.

Status: February 15, 2021

## APPENDIX A: FEES

The following fees are payable by the Client to Laterpay for the specified Laterpay services:

- Platform Fee: 10 % of the total revenue generated by Client through the Laterpay Service (exclusive of any sales tax) excluding payment processing fees.
- No Laterpay Service setup fees are charged.
- Custom pricing may apply.